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**CITY OF LODI**  
**COUNCIL COMMUNICATION**  
**LODI REDEVELOPMENT AGENCY**

**AGENDA TITLE:** Authorize the City Manager to Execute an Amended and Restated Cooperative Agreement with the Redevelopment Agency of the City of Lodi; Authorize the Executive Director to Execute an Amended and Restated Cooperative Agreement with the City of Lodi; and Joint Direction to Staff to exclude the power of Eminent Domain from the Redevelopment Plan.

**MEETING DATE:** November 21, 2007 City Council Meeting

**PREPARED BY:** City Attorney's Office

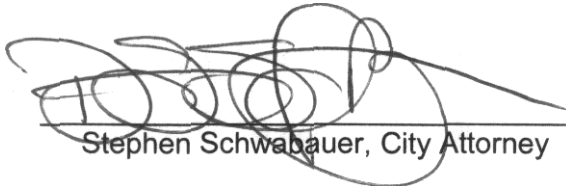
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**RECOMMENDED ACTION:** That the Redevelopment Agency and the City authorize the entry of a cooperative agreement, and direct staff to prepare a Redevelopment Plan that excludes the power of eminent domain.

**BACKGROUND INFORMATION:** Much as the Board of the Redevelopment Agency is typically made up of the City Council, the Staff of the Redevelopment Agency is typically made up of the staff of the City. A Cooperative Agreement is therefore necessary to set the terms under which City Staff will perform services and provide materials for the function of the Agency. The attached agreement establishes those terms and among other things provides that the value of those services will be fronted by the City and repaid by the Agency. This advance by the City is one of the forms of debt that is repayable out of tax increment raised by the project. This action contemplates the joint action of the Agency and the City to approve tandem resolutions granting authority to the City Manager and Executive Director respectively to execute the agreement. Both Resolutions also include a direction to staff to return with a Redevelopment Plan that excludes the power of eminent domain.

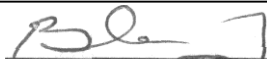
**FISCAL IMPACT** N/A

**FUNDING AVAILABLE:** N/A

  
 Stephen Schwabauer, City Attorney

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**APPROVED:**

  
 Blair King, City Manager

## **AMENDED AND RESTATED COOPERATION AGREEMENT**

THIS **AMENDED AND RESTATED AGREEMENT** (the "Agreement") is entered into as of November \_\_, 2007, by and between the **CITY OF LODI** (herein the "City") and the **REDEVELOPMENT AGENCY OF THE CITY OF LODI** (herein the "Agency").

### **RECITALS**

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.; the "Law"), the City Council of the City of Lodi, activated the Agency and has initiated a process for the consideration of the adoption of a redevelopment plan (the "Redevelopment Plan") for a redevelopment project proposed to be established consisting of certain territory in the eastern portion of the City limits (the "Project").

B. Pursuant to the Law, the Agency is performing a public function of the City and may have access to services and facilities of the City.

C. The Agency and the City have entered into previous agreements or arrangements and the Agency has previously issued promissory notes or incurred other obligations for the benefit of the City which evidence the indebtedness of the Agency to the City.

D. The City and the Agency desire to enter into this Agreement:

- (1) To set forth activities, services and facilities which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Law; and
- (2) To provide that the Agency will reimburse the City for actions undertaken and costs and expenses incurred by it for and on behalf of the Agency.

### **AGREEMENTS**

1. The City agrees to provide for the Agency such staff assistance, supplies, technical services and other services and facilities of the City as the Agency may require in carrying out its functions under the Law. Such assistance and services may include the services of officers and employees and special consultants. In addition, the City has engaged and will continue to utilize the services, for the benefit of the Agency, of various consultants, the

costs of which are being recorded by the City and which costs constitute indebtedness of the Agency to be repaid to the City by the Agency as provided herein.

2. The City may, but is not required to, advance necessary funds to the Agency or to expend funds on behalf of the Agency for implementation of the Redevelopment Plan, including, but not limited to, the costs of surveys, planning, studies and environmental assessments for implementation of the Redevelopment Plan, the costs of purchase of any property within the Project, demolition and clearance of properties purchased, building and site preparation, public improvements and relocation assistance to displaced residential and nonresidential occupants, if any, as required by law.

3. The City will keep records of activities and services undertaken pursuant to this Agreement and the costs thereof in order that an accurate record of the Agency's liability to the City can be ascertained. The City shall periodically, but not less than annually, submit to the Agency a statement of the costs incurred by the City in rendering activities and services of the City to the Agency pursuant to this Agreement. Such statement of costs may include a proration of the City's administrative and salary expense attributable to services of City officials, employees and departments rendered for the Agency.

4. The Agency agrees to pay the City, with interest, an amount equal to all expenditures made and obligations and liabilities incurred by the City pursuant to this Agreement from and to the extent that funds are available to the Agency for such purpose pursuant to Section 33670 of the Health and Safety Code ("Tax Increment") and the Agency pledges the Tax Increment to repayment of its indebtedness to the City hereunder; provided, however, that the Agency shall have the sole and exclusive right to subordinate such pledge for the benefit of the City to such other pledges as the Agency may make with respect to repayment of other indebtedness incurred by the Agency in carrying out the Project. The costs of the City under this Agreement will be shown on statements submitted to the Agency pursuant to Section 3 above. The parties recognize that repayment may occur over a period of time. Interest shall accrue on all amounts payable by the Agency pursuant to this Agreement at the rate of the lesser of (i) twelve percent (**12%**) per annum, or (ii) the highest legally-allowable interest rate for a redevelopment agency.

5. The Agency agrees that it shall comply with the City's personnel policies and administrative regulations in connection with its activities and obligations under this Agreement.

6. The City agrees to include the Agency within the terms of the City's insurance policy. The Agency shall pay to the City its pro rata share of the costs of insurance applicable to its activities resulting from the Agency's inclusion in the City's policy.

7. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 et seq. of the Law.

8. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to all other obligations or indebtedness heretofore or hereafter voluntarily incurred by the Agency, excepting only to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness.

9. This Agreement shall supercede prior agreements between the parties hereto covering the same subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF LODI, a California Municipal Corporation

By: \_\_\_\_\_  
Blair King, City Manager

ATTEST:

\_\_\_\_\_  
Randi Johl, City Clerk

REDEVELOPMENT AGENCY OF THE CITY OF LODI

By: \_\_\_\_\_  
Executive Director

ATTEST:

\_\_\_\_\_  
Agency Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
D. STEPHEN SCHWABAUER  
City Attorney

RESOLUTION NO. RDA2007-04

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF LODI  
APPROVING AND AUTHORIZING THE EXECUTION OF AN AMENDED AND  
RESTATED COOPERATION AGREEMENT WITH THE CITY OF LODI AND  
MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH

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WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") is a duly constituted redevelopment agency and is undertaking certain activities necessary for redevelopment under the provisions of the California Community Redevelopment Law (Health and Safety Code Sections 33000 *et seq*; herein, the "Law"); and

WHEREAS, pursuant to the provisions of the Law, the City Council of the City of Lodi, activated the Agency and has initiated a process for the consideration of the adoption of a redevelopment plan (the "Redevelopment Plan") for a redevelopment project proposed to be established consisting of certain territory in the eastern portion of the City limits (the "Project"); and

WHEREAS, pursuant to Law, the Agency is performing a public function of benefit to the City and may have access to services and facilities of the City; and

WHEREAS, the Agency and the City have entered into previous agreements or arrangements and the Agency has previously issued promissory notes or incurred other obligations (collectively, the "Prior Agreements") for the benefit of the City, which establish evidence the indebtedness of the Agency to the City; and

WHEREAS, the City and the Agency desire to enter into an Amended and Restated Cooperation Agreement in the form submitted herewith (the "Agreement");

(1) To set forth activities, services, and facilities, which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Law; and

(2) To provide that the Agency will reimburse the City for actions undertaken and costs and expenses incurred by it for and on behalf of the Agency.

WHEREAS, pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City; and

WHEREAS, without amending, limiting, or modifying the Prior Agreements and the ongoing effectiveness of such Prior Agreements, which shall remain in effect according to their terms for the greatest time legally allowable, the Agency and the City desire to memorialize in the Agreement certain matters relating to the financial relationship between the Agency and the City as it relates to the Redevelopment Plan and its implementation; and

WHEREAS, the City and the Agency desire to provide for the ongoing provision of administrative support to the Agency by the City for so long as the Agency requires such support relative to the Plan; and

WHEREAS, the City and the Agency desire to enter into an Amended and Restated Cooperation Agreement substantially in the form on file with the Agency Secretary (the "Agreement"):

- (1) To set forth activities, services, and facilities, which the City will continue to render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law; and
- (2) To reiterate and provide that the Agency will reimburse the City for actions undertaken and costs and expenses incurred by it for and on behalf of the Agency.

WHEREAS, the Agency has the general purpose of redevelopment and the elimination of blight and the provision of public facilities to be set forth in the Redevelopment Plan; and

WHEREAS, the approval of and implementation of the Agreement will not alter the policy of the Agency that the power of eminent domain will not be available to the Agency, it being the intention of the Agency that the Redevelopment Plan not provide for the Agency to have the power of eminent domain; and

WHEREAS, consistent with the policy of the Agency concerning eminent domain, staff is instructed and directed that the power of eminent domain not be included in the Redevelopment Plan; and

WHEREAS, the Agency has reviewed evidence, including both oral testimony and writings, in connection with this matter, and has determined that the foregoing recitals, and each of them, are true and correct, and further has determined that the Agreement is in the best interests of the Agency and the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law requirements.

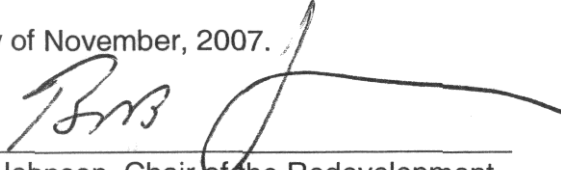
NOW, THEREFORE, THE REDEVELOPMENT AGENCY OF THE CITY OF LODI DOES RESOLVE AS FOLLOWS:

Section 1. The Agency finds and determines that the Agreement implements the Law and the efforts of the Agency to adopt and implement a Redevelopment Plan, is of benefit to those areas proposed for study for inclusion as a redevelopment project area (herein, the "Proposed Area"), will contribute to the eradication of blight in the Proposed Area, and is of benefit to the Agency.


Section 2. The Agency states as its policy that the Redevelopment Plan not include the power of eminent domain; staff is directed to cause the preparation of a Redevelopment Plan that does not include the power of eminent domain exercisable by the Agency.

Section 3. The Agency authorizes and directs the Executive Director to execute on behalf of the Agency the Agreement. The Agency further authorizes and directs staff to take all actions necessary and appropriate to implement the participation by the Agency pursuant to the Agreement.

APPROVED AND ADOPTED this 21<sup>st</sup> day of November, 2007.

  
\_\_\_\_\_  
Bob Johnson, Chair of the Redevelopment  
Agency of the City of Lodi

ATTEST:

  
\_\_\_\_\_  
Randi Juhl, Secretary of the Redevelopment  
Agency of the City of Lodi

STATE OF CALIFORNIA            )  
COUNTY OF SAN JOAQUIN    )  
CITY OF Lodi                    )

I, Randi Juhl, Secretary of the Redevelopment Agency of the City of Lodi, do hereby certify that the foregoing Resolution No. RDA2007-04 was passed and adopted by the Redevelopment Agency of the City of Lodi in a special joint meeting with the Lodi City Council held November 21, 2007, by the following vote:

AYES:           MEMBERS – Hansen, Hitchcock, Katzakian, and Chairperson Johnson  
NOES:           MEMBERS – Mounce  
ABSENT:        MEMBERS – None  
ABSTAIN:       MEMBERS – None

  
\_\_\_\_\_  
**Randi Juhl, Secretary of the Redevelopment**  
Agency of the City of Lodi



RESOLUTION NO. 2007-231

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
LODI APPROVING AND AUTHORIZING THE EXECUTION OF  
AN AMENDED AND RESTATED COOPERATION AGREEMENT  
WITH THE REDEVELOPMENT AGENCY OF THE CITY OF LODI  
AND MAKING CERTAIN FINDINGS IN CONNECTION  
THEREWITH

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WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") is a duly constituted redevelopment agency and is undertaking certain activities necessary for redevelopment under the provisions of the California Community Redevelopment Law (Health and Safety Code Sections 33000 et **seq**; herein, the "Law"); and

WHEREAS, pursuant to the provisions of the Law, the City Council of the City of Lodi, activated the Agency and has initiated a process for the consideration of the adoption of a redevelopment plan (the "Redevelopment Plan") for a redevelopment project proposed to be established consisting of certain territory in the eastern portion of the City limits (the "Project"); and

WHEREAS, pursuant to Law, the Agency is performing a public function of benefit to the City and may have access to services and facilities of the City; and

WHEREAS, the Agency and the City have entered into previous agreements or arrangements and the Agency has previously issued promissory notes or incurred other obligations (collectively, the "Prior Agreements") for the benefit of the City, which establish evidence the indebtedness of the Agency to the City; and

WHEREAS, the City and the Agency desire to enter into an Amended and Restated Cooperation Agreement in the form submitted herewith (the "Agreement"):

(1) To set forth activities, services, and facilities, which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Law; and

(2) To provide that the Agency will reimburse the City for actions undertaken and costs and expenses incurred by it for and on behalf of the Agency.

WHEREAS, pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City; and

WHEREAS, without amending, limiting, or modifying the Prior Agreements and the ongoing effectiveness of such Prior Agreements, which shall remain in effect according to their terms for the greatest time legally allowable, the Agency and the City desire to memorialize in the Agreement certain matters relating to the financial relationship between the Agency and the City as it relates to the Redevelopment Plan and its implementation; and

WHEREAS, the City and the Agency desire to provide for the ongoing provision of administrative support to the Agency by the City for so long as the Agency requires such support relative to the Plan; and

WHEREAS, the City and the Agency desire to enter into an Amended and Restated Cooperation Agreement substantially in the form on file with the Agency Secretary (the "Agreement"):

- (1) To set forth activities, services, and facilities, which the City will continue to render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law; and
- (2) To reiterate and provide that the Agency will reimburse the City for actions undertaken and costs and expenses incurred by it for and on behalf of the Agency.

WHEREAS, the Agency has the general purpose of redevelopment and the elimination of blight and the provision of public facilities to be ~~set~~ forth in the Redevelopment Plan: and

WHEREAS, the approval of and implementation of the Agreement will not alter the policy of the Agency that the power of eminent domain will not be available to the Agency, it being the intention of the Agency that the Redevelopment Plan not provide for the Agency to have the power of eminent domain; and

WHEREAS, consistent with the policy of the Agency concerning eminent domain, staff *is* instructed and directed that the power of eminent domain not be included in the Redevelopment Plan; and

WHEREAS, the City Council has reviewed evidence, including both oral testimony and writings, in connection with this matter, and has determined that the foregoing recitals, and each of them, are true and correct, and further has determined that the Agreement is in the best interests of the Agency and the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LODI DOES RESOLVE AS FOLLOWS:

Section 1. The City Council finds and determines that the Agreement implements the Law and the efforts of the Agency to adopt and implement a Redevelopment Plan, is of benefit to those areas proposed for study for inclusion as a redevelopment project area (herein, the "Proposed Area"), will contribute to the eradication of blight in the Proposed Area and is of benefit to the Agency.

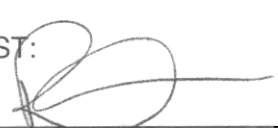
Section 2. The City Council states as its policy that the Redevelopment Plan not include the power of eminent domain; staff is directed to cause the preparation of a Redevelopment Plan that does not include the power of eminent domain exercisable by the Agency.

Section 3. The City Council authorizes and directs the City Manager to execute on behalf of the City the Agreement. The City Council further authorizes and directs staff to take all actions necessary and appropriate to implement the participation by the City pursuant to the Agreement.

APPROVED AND ADOPTED this 21<sup>st</sup> day of November, 2007.

By:   
Bob Johnson, Mayor


ATTEST:

  
Randi Johl, City Clerk

STATE OF CALIFORNIA       )  
COUNTY OF SAN JOAQUIN   )  
CITY OF LODI                )

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that the foregoing Resolution No. 2007-231 was passed and adopted by the City Council of the City of Lodi in a special joint meeting with the Lodi Redevelopment Agency held November 21, 2007, by the following vote:

AYES:           MEMBERS – Hansen, Hitchcock, Katzakian, and Mayor Johnson  
NOES:           MEMBERS – Mounce  
ABSENT:        MEMBERS – None  
ABSTAIN:       MEMBERS – None

  
Randi Johl, City Clerk